



We're Committed to Fair Treatment

Although new rates may be difficult for many employers, Utah has not been required to borrow money to pay Unemployment Insurance (UI) benefits; most states have also had to raise UI taxes.

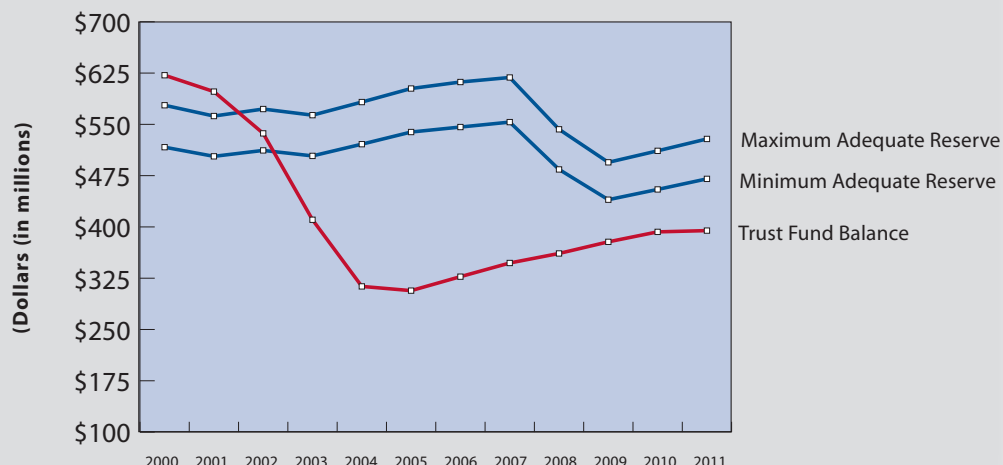
Employers' quarterly UI contributions (taxes) are deposited into the UI Trust Fund to pay current and future UI benefits. Trust Fund monies can only be used for the payment of benefits; no administrative costs are paid from the Trust Fund.

The red line on the graph below indicates the level of the Trust Fund relative to what the department considers a minimum and maximum adequate reserve level (indicated by the blue lines) to pay current and future benefits. With recent higher unemploy-

ment levels, the overall balance in the UI Trust Fund declined by \$285 million dollars between July 1, 2001 and June 30, 2004. Although the Trust Fund remains solvent and has slowly improved in 2004, it became necessary to increase UI tax rates including minimum rates for 2004 and 2005 to increase the Trust Fund reserve. However, Utah employers continue to enjoy one of the lowest average UI tax rates in the nation.

Based on our current economic forecasts, we do not anticipate increases to the minimum tax rate for the foreseeable future. While the new rates will be difficult for many employers, most states have also been required to raise their UI tax rates for similar reasons during this period. In fact approximately 25 percent of the states were required to borrow money to pay UI benefits because their Trust Funds were depleted over the past few years. Please be aware that we are committed to ensuring the Utah UI Trust Fund remains solvent and all Utah employers are treated equitably and fairly.

UI Trust Fund Balance Projections





• I M P O R T A N T •

Information about Filing Wage Lists Timely!

Employers are required to file a quarterly wage data report (Form 3H) each quarter along with the quarterly contributions report (Form 3). The wage data information is used to determine an individual's potential eligibility for unemployment Insurance (UI) benefits as well as other state and federal assistance programs. In addition it is used to help detect and prevent the payment and receipt of erroneous or fraudulent benefits and assistance.

Timely submission of wage data is essential to both employers and the department. It allows the department to pay benefits timely as well as help control employer costs by actively controlling unauthorized benefits. Historically, employers have been assessed a flat penalty of \$50.00 for failure to submit Quarterly

Wage Data Reports timely. Revisions were made to Subsection 35A-4-305(8) effective July 1, 2004, which now has an escalating penalty assessment provision that can be as much as \$250.00. "The division shall, unless good cause is shown, assess a \$50.00 penalty if the filing is not more than 15 days late. If the filing is more than 15 days late, the division shall assess an additional penalty of \$50.00 for each 15 days, or a fraction of the 15 days that the filing is late, not to exceed \$250.00 per filing."

The department provides multiple reporting options for employers. For more information on reporting options please call 801-526-9494 or go to our Web site at: <http://jobs.utah.gov/ui/employer.asp>.

"COVERED AT WORK" *a program to help pay for health insurance*

Health insurance is important to Utah employers. Workers who are insured go to work healthy and ready to work. Despite the increased productivity and reduced turnover that comes with coverage, nearly 215,000 Utahns lack basic health insurance coverage.

There is a program to help you get your employees covered. *Covered at Work* helps Utah adults pay for their health insurance at work. Typically, employers and employees each contribute to the cost of health insurance premiums. The Utah Department of Health is now joining with them to provide up to \$50 per month to help employees pay their share.

Those who qualify for *Covered at Work* must be aged 19-64, U.S. citizens or legal residents, have access to health insurance at work, and meet income guidelines. For instance, a single person who earns about \$13,965 per year would meet income guidelines. Income guidelines are based on family size. Those with larger families may earn more and still qualify. If your employees meet these guidelines, and their

health insurance premium at work costs 5 percent of their income or more, *Covered at Work* may be able to help.

For information to help your employees get *Covered at Work*, visit online at www.health.utah.gov/caw or call the Health Resource Line at 1-888-222-2542.

